

- (C) upper and lower extremity prosthetics and related orthotics; or canes, crutches, walkers, bathtub grab bars, standard wheelchairs, commode chairs, and bath benches.
- (e) "Medical gas" means those gases and liquid oxygen intended for human consumption.
- (f) "Order" means an order issued by a licensed medical practitioner legally authorized to order medical gases and/or legend devices.

#### **08-01-0002—LICENSURE REQUIRED**

- (a) No person or entity, subject to licensure, shall sell or rent or offer to sell or rent directly to patients in this state any home medical equipment, legend devices, and/or medical gases, unless the person or entity is licensed as required by Act 1101.

The licensure requirements of this act will apply to all companies, agencies, and other business entities that are in the business of supplying medical equipment to patients in their home and which bill the patient or the patient's insurance, Medicare, Medicaid, or other third-party payer for the rent or sale of that equipment. The application for a license shall be on a form, furnished by the Board, and shall be accompanied by payment of fee as defined in regulation 01-00-0007. The Board shall require a separate license for each facility directly or indirectly owned or operated, within this state, by the same person or business entity within this state, or for a parent entity with divisions, subdivisions, subsidiaries, and/or affiliate companies when operations are conducted at more than one location and there exists joint ownership and control among all the entities.

- (b)
  - (1) The annual license renewal fee is defined in regulation 01-00-0007.
  - (2) All licenses issued under this act shall expire on December 31, ~~of each calendar year~~ in even numbered years.
  - (3) Each application for renewal of the license must be made on or before December 31 ~~of each year~~ in even numbered years. Penalties for late payment are defined in regulation 01-00-0007. The license shall be considered null and void if the fee is not paid by April 1 of the following odd-numbered ~~each~~ year.
- (c)
  - (1) Upon a change of ownership of a supplier of medical equipment, legend devices, and medical gas as set out herein, a new permit shall be secured by the new owner(s). The new owner(s) can continue operation of the supplier of medical equipment, legend devices, and medical gas for fourteen (14) days after the effective date of the change of ownership; after said fourteen (14) day period the permit issued to the prior owner shall be void and the operation of the supplier of medical equipment, legend devices, and medical gas in Arkansas shall cease.
  - (2) A change of ownership of a supplier of medical equipment, legend devices, and medical gas occurs under, but is not limited to, the following circumstances:
    - (A) A change of ownership of a supplier of medical equipment, legend devices, and medical gas owned by a SOLE PROPRIETOR, is deemed to have occurred when:
      - (i) The business is sold and the sale becomes final or the new owner assumes control of the supplier of medical equipment, legend devices, and medical gas -- which ever occurs first.
      - (ii) The proprietor enters into a partnership with another individual or business entity.
    - (B) A change of ownership of a supplier of medical equipment, legend devices, and medical gas owned by PARTNERSHIP, is deemed to have occurred when:

- (i) There is an addition or deletion of one or more partners in a partnership to which a supplier of medical equipment, legend devices, and medical gas license has been issued.
- (ii) The business is sold and the sale becomes final or the new owner assumes control of the wholesale distributor -- which ever occurs first.
- (C) A change of ownership of a supplier of medical equipment, legend devices, and medical gas owned by a CORPORATION, is deemed to have occurred when:
  - (i) An individual or business acquires or disposes of twenty percent (20%) of the corporation's outstanding shares of voting stock. (This shall not apply to any corporation the voting stock of which is actively traded on any securities exchange or in any over the counter market); or
  - (ii) The corporation merges with another business or corporation. (The corporation owning the supplier of medical equipment, legend devices, and medical gas is required to notify the Arkansas State Board of Pharmacy if a change of ownership or merger occurs within the parent corporation of the corporation which owns the wholesale distributor); or
  - (iii) The corporation's charter expires or is forfeited.
  - (iv) The business is sold and the sale becomes final or the new owner assumes control of the supplier of medical equipment, legend devices, and medical gas -- which ever occurs first.
- (d) Each license issued hereunder shall be displayed by the holder thereof in a conspicuous place.

#### **08-01-0003—STANDARDS OF PRACTICE**

- (a) Written policies and procedures must be available for review and designed to meet all the following standards. Documentation of all staff training must be kept in each employee's personnel file. All local, state, and federal regulatory agency policies concerning home medical equipment and oxygen must be followed.
  - (1) Order intake: A home medical equipment provider shall recognize the importance of order intake. The provider is responsible for assuring that order intake personnel are appropriately trained in the following:
    - (A) Identifying equipment;
    - (B) Determining patient/caregiver needs;
    - (C) Determining referral sources needs;
    - (D) Knowing equipment coverage criteria based on diagnosis;
    - (E) Responding appropriately during a medical equipment emergency;
    - (F) Explaining service procedures;
    - (G) Billing third party; and
    - (H) Verifying insurance.
 The provider must assure that only trained order intake personnel receive referrals.
  - (2) Selection of appropriate equipment:
    - (A) When providing equipment services for a patient, a provider shall consider: physician orders, equipment needs of the patient, economic situation of the patient and caregiver, and requirement of any third party payer source.
    - (B) A provider shall recognize those items, which require special fitting and evaluation. Fitting of custom items shall be performed within a reasonable time frame by specially trained personnel.